

ASX:EV1

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EVOLUTION
ENERGY MINERALS

**SUSTAINABLE
GRAPHITE PRODUCTS
FOR THE GLOBAL
GREEN ECONOMY**



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Mineral Resources

The information in this announcement that relates to the Mineral Resource estimate for the Chilalo Graphite Project is extracted from the report titled “Prospectus” released to the ASX on 12 November 2021 and available to view at <https://evolutionenergyminerals.com.au/>.

Evolution confirms that it is not aware of any new information or data that materially affects the information included in the original report and that all material assumptions and technical parameters underpinning the Mineral Resource estimate for the Chilalo Graphite Project continue to apply and have not materially changed.

Evolution confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original report and that the Competent Person’s consent remains in place for subsequent releases by Evolution of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report or accompanying consent.

Ore Reserve Estimate

The information in this presentation that relates to the Ore Reserve estimate for the Chilalo Project is based on information compiled by Andrew Hutson, a Competent Person, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Andrew Hutson is employed by Resolve Mining Solutions. Mr Hutson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the JORC Code 2012 Edition. Mr Hutson consents to the inclusion of such information in this presentation in the form and context in which it appears.

Production Target and Forecast Financial Information

The Definitive Feasibility Study outcomes in this presentation comprises production targets and forecast financial information for the Chilalo Graphite Project and is based on an updated feasibility study for the Chilalo Graphite Project.

The production targets (and the forecast financial information based on these production targets) are based solely on Ore Reserve estimates which have been prepared by a Competent Person in accordance with the requirements in the JORC Code. The production targets are based on Evolution’s current expectations of future results or events and should not be relied upon by investors when making investment decisions. The forecast financial information is derived from the production targets detailed in the DFS outcomes.

Evolution has concluded that it has a reasonable basis for providing the production targets and forecast financial information included in this presentation. The detailed reasons for that conclusion are outlined throughout this presentation and all material assumptions upon which the production targets and forecast financial information is based are disclosed in this presentation.

A STANDOUT DEVELOPMENT-READY GRAPHITE PROJECT POISED FOR VERTICAL INTEGRATION INTO BATTERY ANODES



Development-ready, coarse flake Chilalo Graphite Project in Tanzania



Updated DFS demonstrates high-margin, low capex development option



Framework Agreement with Tanzanian Government finalised – awaiting signing ceremony



Binding offtake for coarse flake with global leader for expandable graphite and foil



Fines produces premium quality CSPG, suitable for EV and energy storage batteries

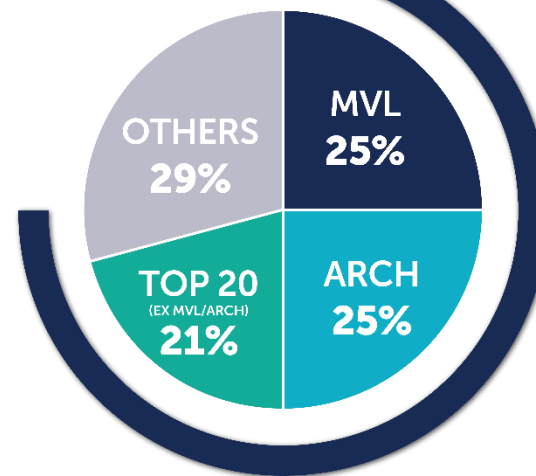


Positioning for vertical integration – using proven technology to produce CSPG in the US

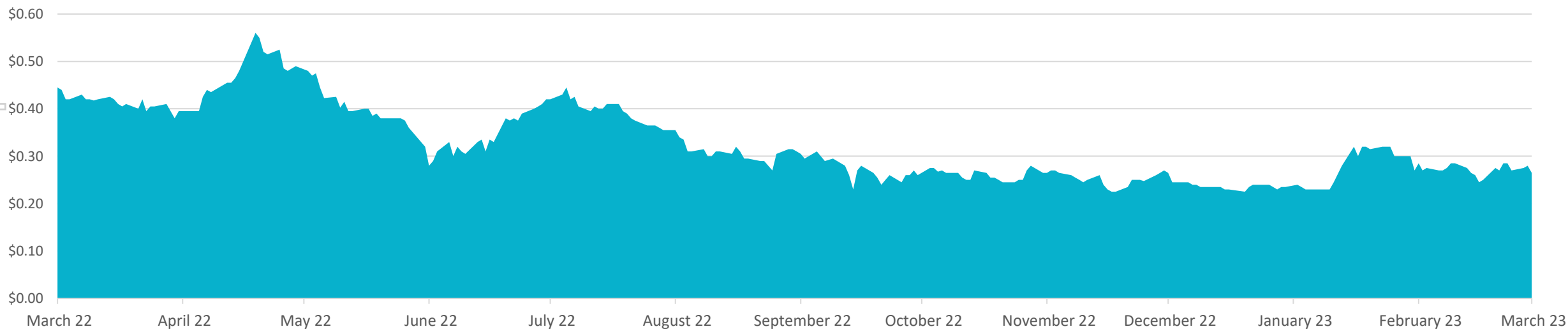
CORPORATE OVERVIEW



MAJOR SHAREHOLDERS



SHARE PRICE (YTD)



1. 42.1M options at \$0.25 exercise price, 6.8M options at nil exercise price, subject to performance-related vesting criteria

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BOARD & MANAGEMENT WITH GRAPHITE EXPERIENCE

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Board of Directors

**Phil Hoskins**
MANAGING DIRECTOR

Phil is the Executive responsible for the development of Chilalo since 2014. Eight years' graphite experience.

**Henk Ludik**
INTERIM NON-EXECUTIVE CHAIR

Henk is a mining engineer with a career spanning over 20 years in mining with expertise in engineering, feasibility, mine optimisation, ESG and corporate finance.

**Michael Bourguignon**
EXECUTIVE DIRECTOR

Michael was the Project Manager for the construction of Syrah Resources' Balama graphite project in Mozambique.

**Amanda van Dyke**
NON-EXECUTIVE DIRECTOR

Amanda is the MD of the ARCH Sustainable Resources Fund, an ESG-focused investment fund based in London.

Management Team

**Chris Knee**
CHIEF FINANCIAL OFFICER

Chris is the finance executive involved in the development of the Chilalo project since 2015.

**Stuart McKenzie**
COMPANY SECRETARY

Stuart has significant African experience including 6 years with Anvil Mining and involved with the Chilalo project since 2014.

**Vickey Puncheon**
GM CORPORATE

18 years' African experience including 5 years with Syrah Resources.

**Heavenlight Kavishe**
COUNTRY MANAGER

Experienced government advisor, with the Chilalo project since 2014.

**Chris Whiteley**
INTERNATIONAL SALES &
MARKETING CONSULTANT

Chris has been actively involved in all aspects of graphite marketing and product development for more than 25 years.

**Eileen Hao**
GRAPHITE MARKETING - CHINA

Experienced graphite and battery advisor with IMERYS, Syrah and facilitating Neometals / Gangfeng transactions

**John Nolan**
OPERATIONAL READINESS
(MINING)

Mining professional with 36 years' experience across Africa, South America and Asia in a variety of roles

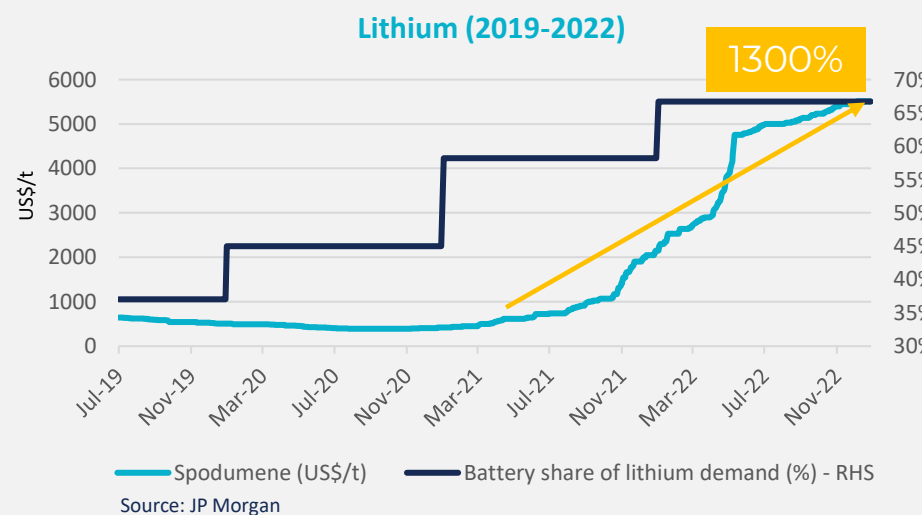
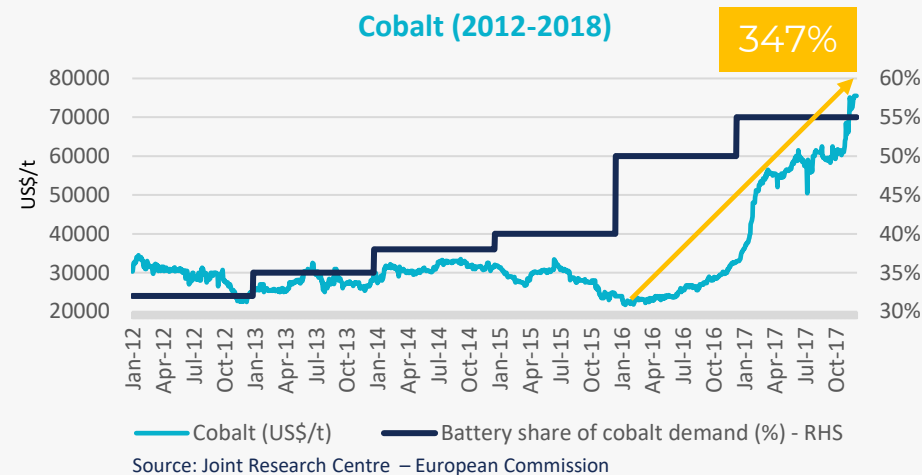
WHY HASN'T GRAPHITE "DONE A LITHIUM"?...YET

Flake graphite had substantial non-battery markets to begin with

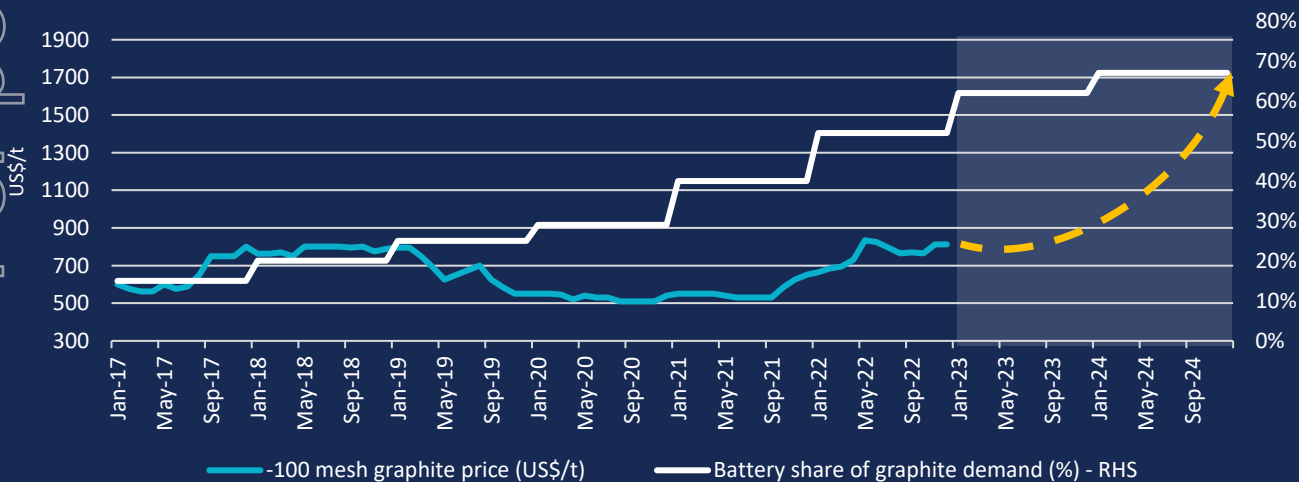
Batteries became more than 50% of the cobalt market back in 2016 and the same happened for lithium a few years later. In 2023, lithium-ion batteries will overtake the steel industry as the number one source of demand for graphite.

Andrew Miller, Benchmark Mineral Intelligence

- Cobalt - 347% price increase over 2 years as batteries went from 40% to 55% of market
- Lithium – 1,300% price increase over 2 years as batteries went from 45% to 65% of market
- Demand-driven price increases as batteries became dominant application
- Prior to batteries, graphite had substantial traditional markets (e.g. refractories)
- Supply takes time to respond due to feasibility, permitting and funding timelines
- Lack of development-ready graphite projects (including in China) bodes well for similar price rises



Graphite (2017-2024e)



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UPDATED DFS/FEED

Chilalo remains a high-margin project with a financeable capital cost

PHYSICALS	UNIT	Updated DFS
Mine life	years	17
Total plant feed	Mt	8.3
Annual plant feed	ktpa	500
Average head grade	%TGC	10.6%
Average graphite concentrate production ¹	ktpa	52
Steady state expandable graphite sales	ktpa	12
Steady state micronised graphite sales	ktpa	8

PROJECT FINANCIALS

US\$338M

NPV₈ (Post-tax)

32%

IRR (Post-tax)

3.3 Yrs

Post-tax
payback period

US\$120M

Pre-production
capital cost
(incl. 10% contingency
and pre-strip)

US\$82M

Average annual
EBITDA

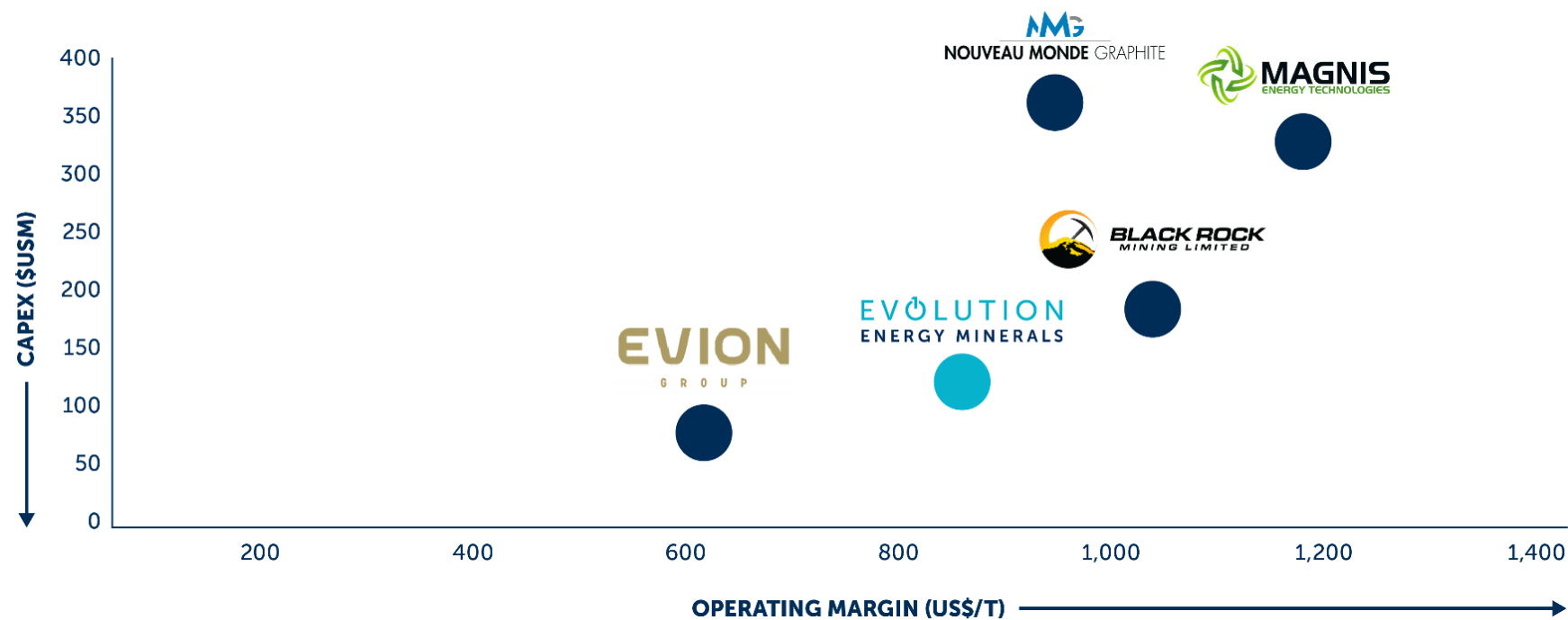
1. Some graphite concentrate is assumed to become feedstock into expandable graphite and micronized graphite.

DEVELOPMENT-READY GRAPHITE PROJECTS

Chilalo compares favourably to development-ready projects

To delay a rapid increase in graphite prices, investment needs to be made into new supply now. Below are graphite projects with a DFS produced in the last 12 months (ie. costs updated for development).

Capex vs Operating Margins



Chinese supply has been slow to respond – quality not comparable with Chilalo and Chinese flake graphite is destined for downstream processing in China anyway

GRAPHITE'S TIME TO SHINE

Ex-China supply response starts now

HOW MANY MINES DO WE NEED?

As the lithium ion battery revolution gains momentum, **Benchmark** forecasts just how many mines need to be built to keep up with the exceptional volumes of demand for key raw materials expected by 2035.

■ 2022 Supply **Vs** ■ 2035 Demand **Average Mine/Plant Size** **No. of Mines/Plants Needed**

🔌 97 new graphite mines by 2035 - Achievable?

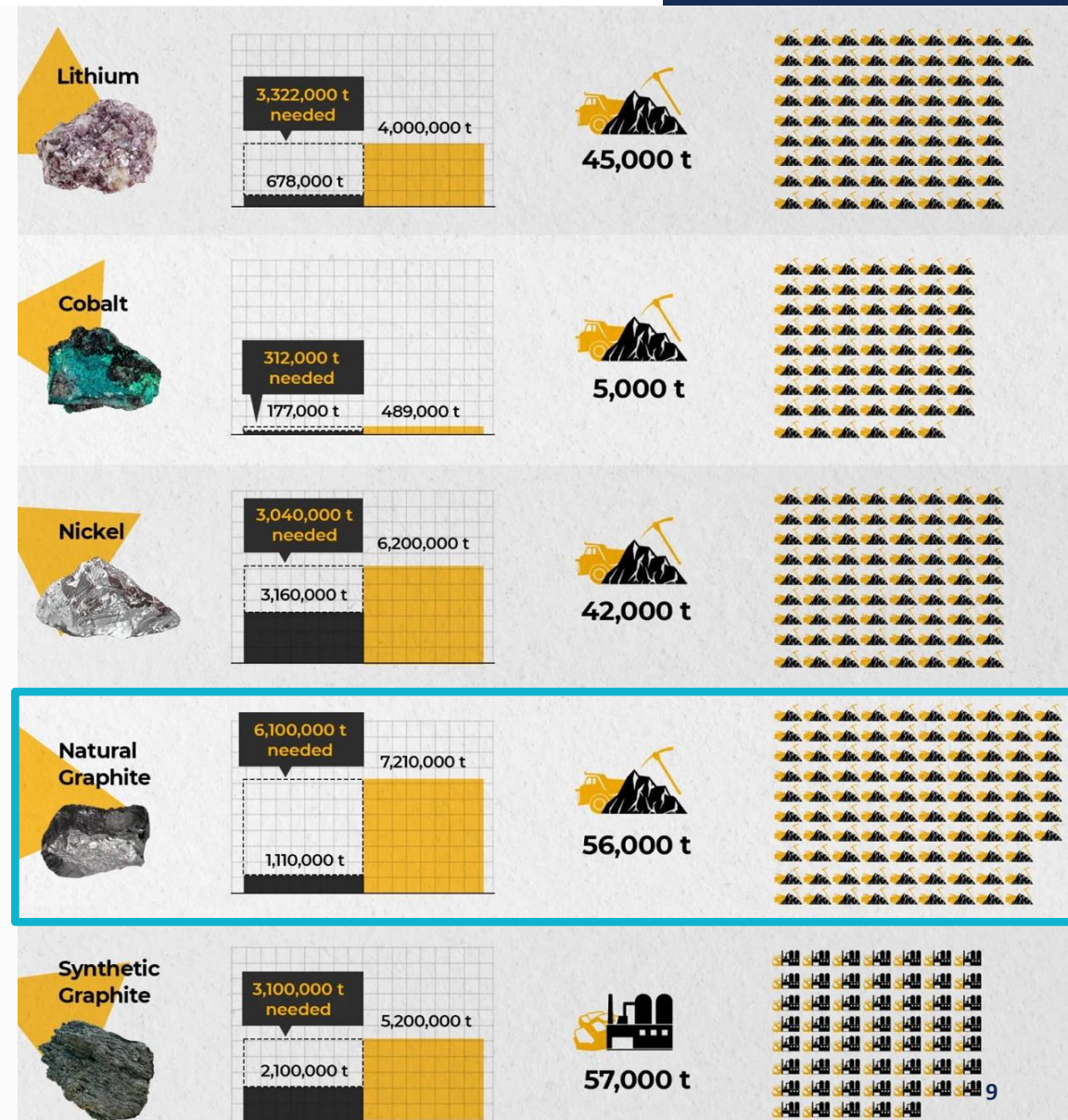
🔌 China's move to net importer (see slide 10) demonstrates need for ex-China supply chains

- Graphite is a strategic critical mineral to decarbonisation objectives of all global economies

🔌 US Inflation Reduction Act is the most significant piece of legislation impacting the critical minerals supply chain

- Promotes further processing in the US
- Loan program committing US\$102M to Syrah Resource and US\$700M to Ioneer
- US\$2.8B out of US\$7.0B grant funding committed in Q4 2022 – more to follow

Reference: Benchmark Mineral Intelligence

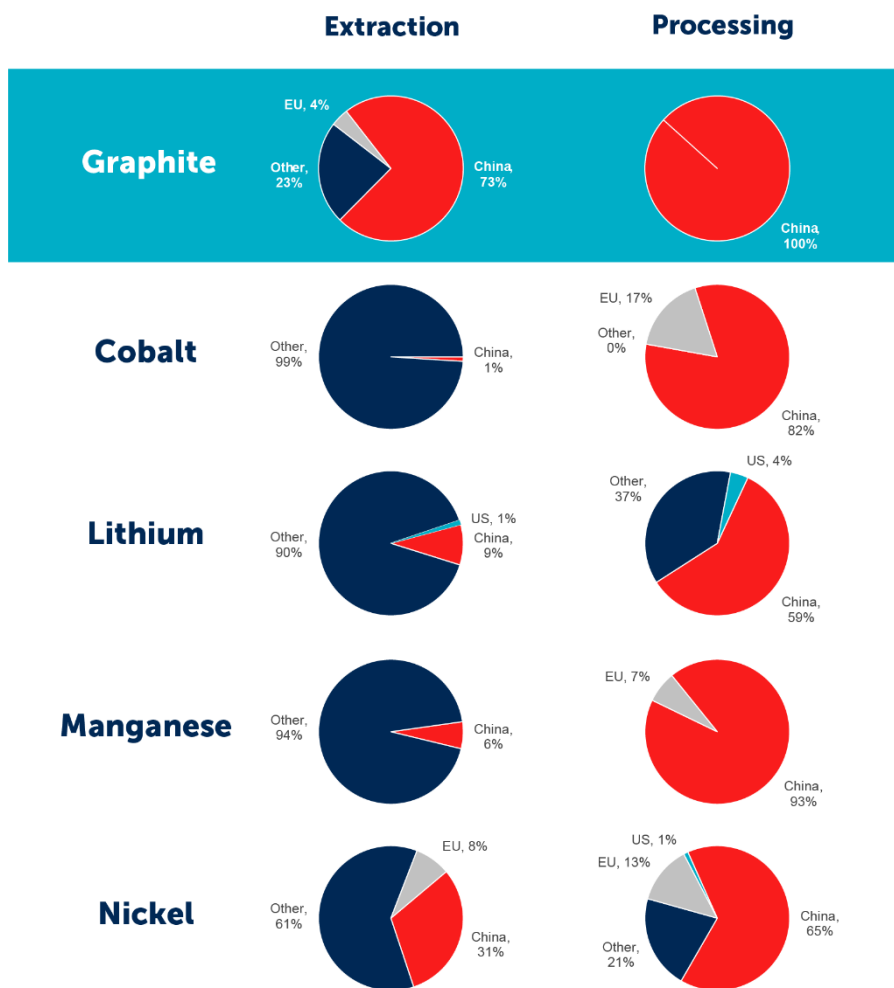


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GRAPHITE SUPPLY CHAIN RELIANCE ON CHINA

Greater than all other battery minerals

Li-ion battery raw materials supply chain by country



As China moved to a net importer during 2022

Month	Import (kt)	Export (kt)
January 2022	10	13
February 2022	12	5
March 2022	17	5
April 2022	7	9
May 2022	22	9
June 2022	17	10
July 2022	8	11
August 2022	17	10
September 2022	15	7
October 2022	14	8
November 2022	13	6
December 2022	18	7
Total	169	102

Chinese imports increased 197% from 2021 to 2022

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CRITICALITY OF GRAPHITE SUPPLY

Graphite listed as a strategic critical mineral in US, EU, Japan and Australia

WHY?

CHINA DOMINATES GRAPHITE MARKET

CHINA
73%

Flake Graphite
Supply

CHINA
100%

Battery Graphite
(purified spherical)

CHINA
90%

Expandable /
Expanded
Graphite Supply

RESPONSE

UNITED STATES

Inflation Reduction Act

- \$369B for climate/green energy policies
- 80% of critical minerals to be sourced from US or FTA partners by 2026
- \$17.7B loan program (Syrah, Loneer)
- \$7B of grant funding (Syrah, Novonix etc)

EUROPE

- European Critical Minerals Act – funding to be announced
- EV1 is a member of European Battery Alliance

JAPAN

CHILALO

AUSTRALIA

CHILALO'S COMPETITIVE ADVANTAGE

Favourable geology driving product quality



GEOLOGY

Large flake free of impurities results in:

- (i) World-class flake size at 95% C
- (ii) Ability to produce +99% C through conventional flotation

Product Quality

Unique graphite signature with demonstrated performance in desired high-growth value-added applications (batteries, expandable / expanded graphite, foil)

Strong Economics

High margin underpinned by flake size

Graphite mines are not economic at current prices without coarse flake graphite

Chilalo presents an economic case at current prices

Low Technical Risk

Plant design based on team's real graphite operating experience

DFS variability testwork done at two separate labs

Two separate pilot plant runs

Low Execution Risk

Team experienced in delivery and operation of graphite mine

Executable real-world assumptions used in DFS

PROJECT DESIGN ENHANCES SUSTAINABILITY METRICS

Improved carbon footprint resulting from FEED

Independent Minviro Life Cycle Assessment (LCA) shows Chilalo (based on 2020 DFS) had comparable carbon footprint to Mozambique graphite production

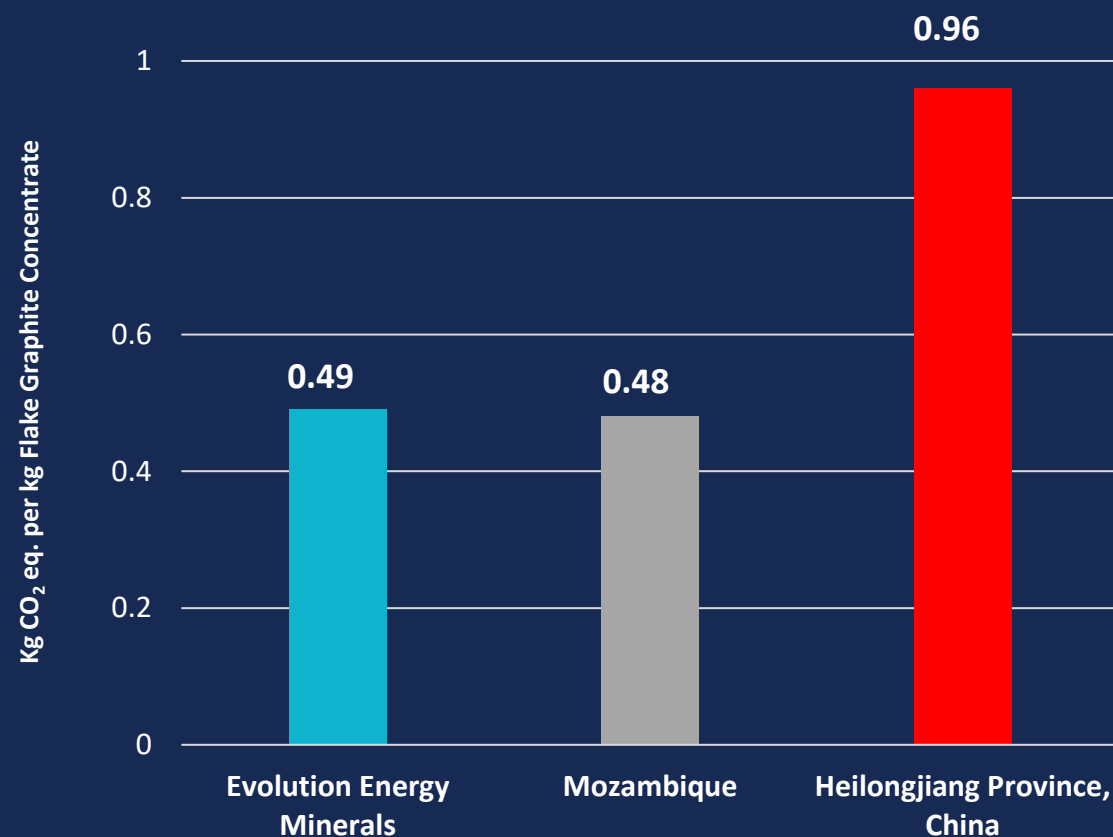
LCA to be updated based on FEED. Improvements expected due to:

- Hybrid solar-diesel/gas power solution (20% solar penetration)
- Waste heat recovery from power plant applied to dryer reducing diesel

Advancing carbon offset strategy targeting net zero carbon project

Dry stacking of tailings confirmed – removal of TSF

Global Warming Potential Comparison Scenarios – 2020 DFS figures



ESG AND SUSTAINABILITY

Evolution's commitment to sustainable graphite supply

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- Pursuit of carbon neutrality for operations
- Committed to ISO 14001 (Environmental Management)
- Confirming dry stacking of tailings
- Committed to renewable power solution



- Updated Relocation Action Plan (incl livelihood restoration) approved by Government

- Full product transparency and traceability including adherence to ISO 8001 (Quality)
- ESG Committee established
- Board will voluntarily stand for re-election and cancel performance-based remuneration for material breach of EV1 ESG policies

Arhitect-designed housing for affected individuals



AWAITING DRILL RESULTS

Resource growth to underpin expansion potential

Chilalo Mineral Resource

20Mt at 9.9% TGC over 2km strike

Long life

Existing 17 year mine life based
on existing Ore Reserves

Geophysics indicates upside

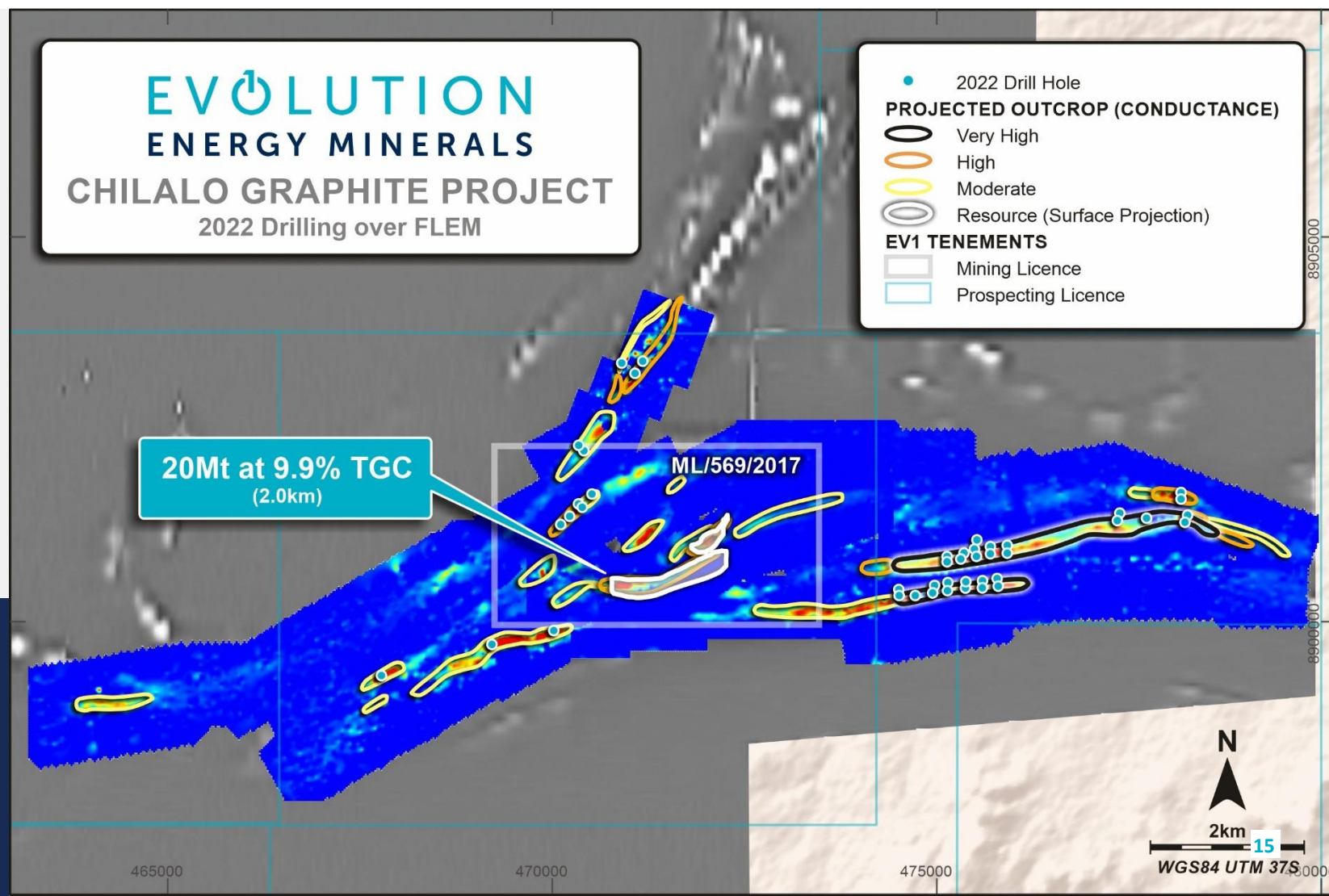
33km of conductors with same
or higher conductivity

Drill results pending

Assays due

MINERAL RESOURCE GROWTH RESULTS IN:

- Lower mining costs
- Facilitates production expansion
- Extension of mine life
- Increase in project value (NPV, IRR)



BINDING OFFTAKE WITH GLOBAL LEADER

Coarse flake sales commitment supports financing

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Principal offtake partner secured

Yichang Xincheng Graphite Co Ltd (YXGC) selected following years of dialogue

Global Leader

YXGC is the global leader in expandable graphite (EG) and graphite foil, supplying global electronics companies

Key terms

Initial 3-year term

30,000tpa of coarse flake graphite (+32, +50, +80, +100 mesh)

Represents 56% of planned production and over 70% of DFS concentrate revenue

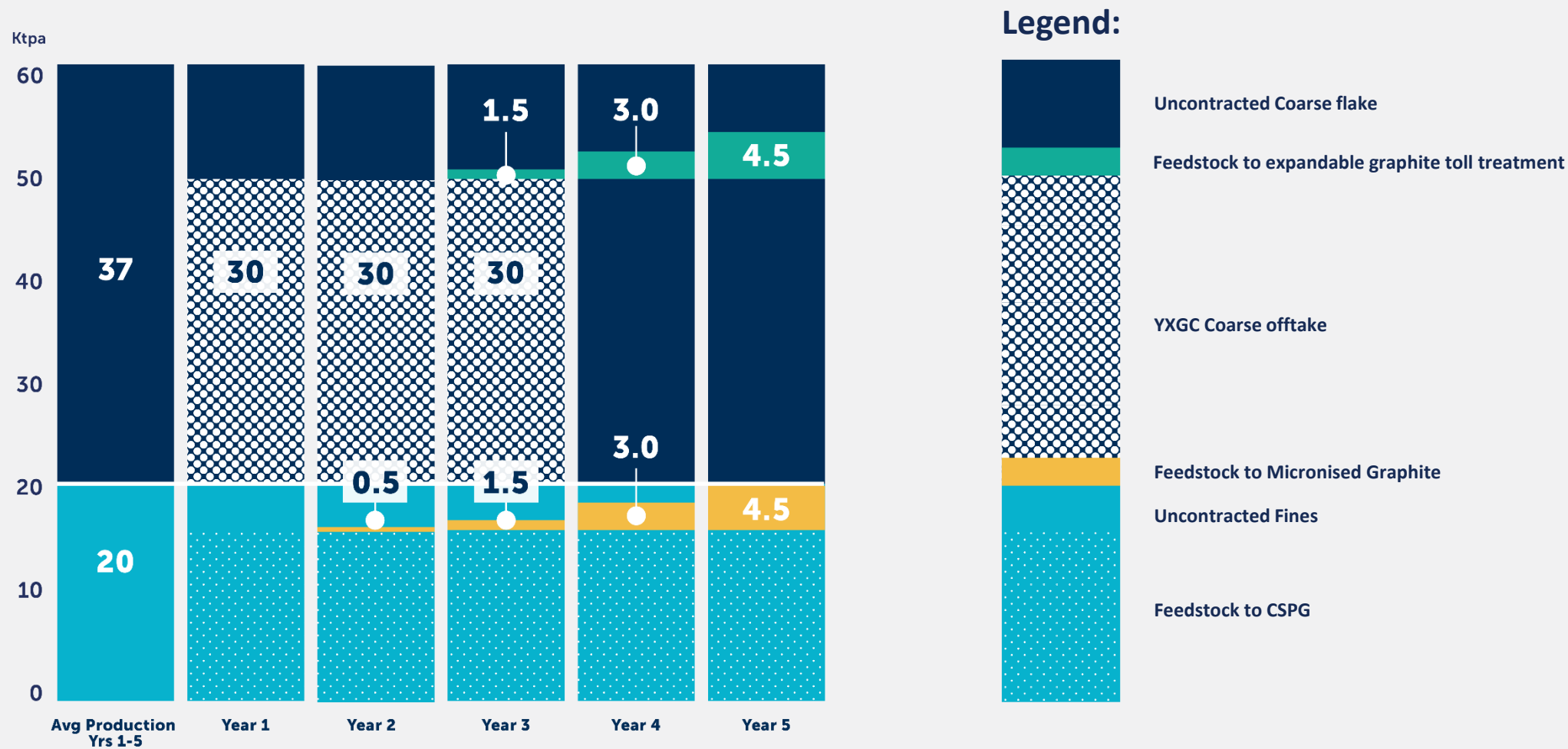
Graphite foil production line at YXGC's plant



EV1 OFFTAKE STRATEGY

Uncontracted fines are strategic leverage into vertically integrated anode supply chain

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VERTICALLY INTEGRATED STRATEGY

Establishing a sustainable, value-added graphite business in North America



Unique Tanzanian graphite feedstock



Commercially proven technology via US-based technology partner



Targeting CSPG, purified micronized graphite (PMG) and other products with shorter qualification timeframes



Environmentally friendly use of thermal purification using renewable power



Targeting non-dilutive US Government funding for studies and construction of downstream facility



NEXT STEPS

Positioning EV1 to play a role in US critical minerals supply

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Building the team

- 🕒 Recruiting personnel to oversee feasibility study, site selection and positioning for US Government funding



Site selection

- 🕒 Detailed analysis has been undertaken to create a shortlist
- 🕒 Focus on power cost and renewability, port access, skilled labour, state incentives, permitting / brownfield sites
- 🕒 Detailed engagement with state economic development offices has commenced



Feasibility study

- 🕒 Next steps include more detailed testwork and commencement of a feasibility study
- 🕒 Flowsheet capable of producing value-added products with shorter qualification timeframes – provides cash flow during EV qualification period



FINANCING FOR NON-TRADITIONAL COMMODITIES

Timing is everything

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Auramet engaged to advise on traditional funding sources for Chilalo, strong interest



Vertical integration being pursued, targeting Government and customer validation

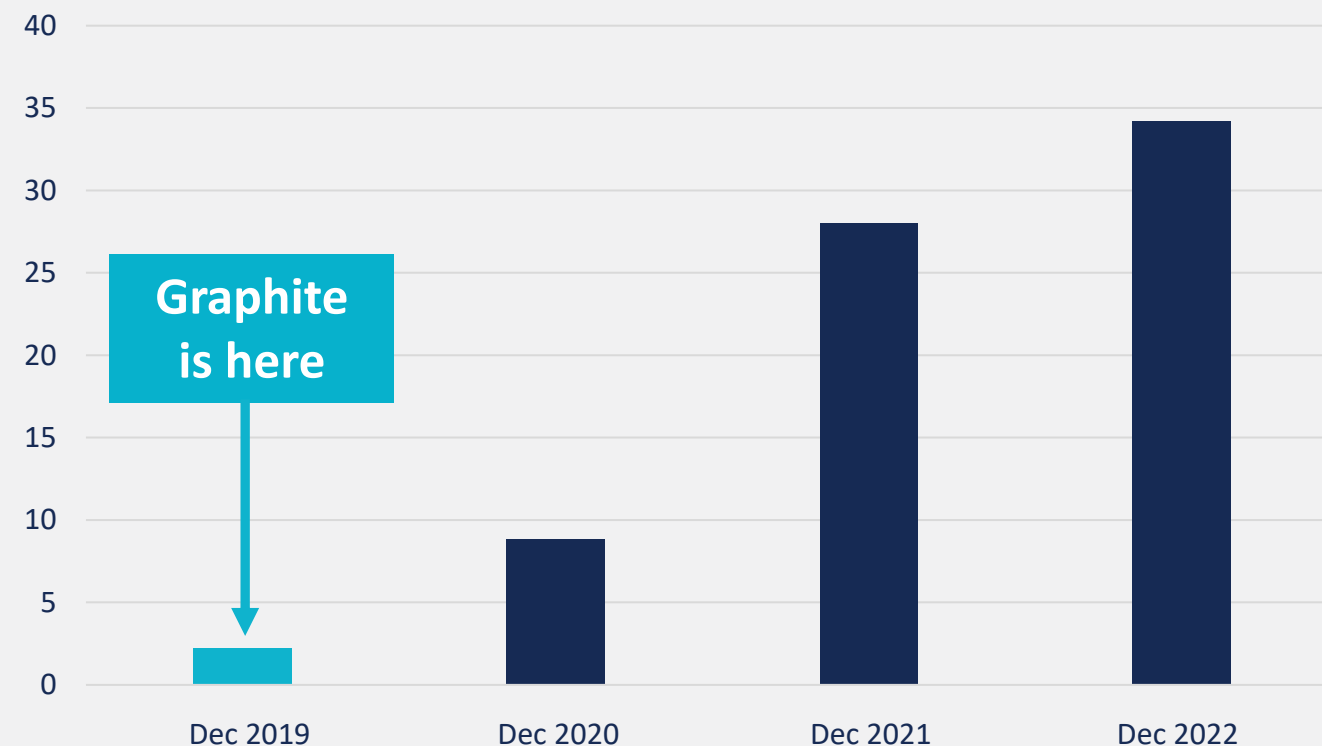


Downstream processing to CSPG provides avenue for substantial pools of capital to invest in a vertically integrated supply chain – current anode supply chain too disjointed and reliant on China to allow this



Optimal financing solution would comprise non-dilutive Government funding and offtake finance – less dilutive if secured later in graphite bull market (see image on right for lithium)

Cumulative market capitalization of ASX top 10 lithium companies over the last 3 years



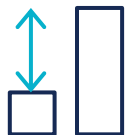
Market capitalisations of Pilbara Minerals, Allkem, Liontown Resources, AVZ Minerals, Sayona Mining, Core Lithium, Piedmont Lithium, Lake Resources, Vulcan Energy Resources and Ioneer on 23 January 2023 and the 3 anniversaries prior.

WHY INVEST

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Development-ready following robust DFS



Industry leading margins at existing graphite prices



Supply/demand dynamic and under-investment in new supply poised to push graphite prices higher



Demonstrated performance in value-add applications (batteries, expandable, foil)



Vertically integrated strategy to produce battery graphite in the US (higher margins and non-dilutive funding)



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Appendix 1

Detailed graphite peer comparison analysis and references

Ticker	Evolution	Magnis	Black Rock	Evion	Nouveau Monde
Market capitalisation (A\$M)	52	306	113	18	436
Mineral resource (Mt)	20.0	174.0	213.1	40.0	153.3
Grade (TGC %)	9.9	5.4	7.8	6.5	4.26
Contained graphite (Mt)	2.0	9.3	16.6	2.6	6.4
Reserve (Mt)	8.0	76.3	70.5	16.2	61.7
Reserve grade (TGC %)	10.5	4.8	8.5	6.6	4.23
Reserve contained graphite (Mt)	0.8	3.7	6.0	1.1	2.6
Mine Life (years)	17	16	26	21	25
Capex (US\$M)	120	324	182 ³	79	361 ⁴
Average sales price (US\$/t) ¹	1,614	1,813	1,491	1,243	1,347
Operating costs (US\$/t)	773	639	466 ³	658	421 ⁴
Operating margin (US\$/t)	841	1,174	1,025	585	926

¹ The average sales price of all companies has been adjusted to apply the pricing assumptions underpinning Evolution's DFS.

² The published operating cost per tonne for each company has been used in the margin analysis. All projects in the above analysis are at DFS stage and fully permitted.

³ Black Rock operating costs are for the first 10 years of production which include three plant expansion modules and grid power from year 2-10. The up front capital costs Black Rock exclude modules 2-4 and the capex of the grid power line.

⁴ Nouveau Monde figures translated to USD at an exchange rate of USD:CAD of 1:0.75.